

4 FAH-3 H-370 GRANT HEALTH AND HUMAN SERVICES (HHS) PAYMENT MANAGEMENT SYSTEM

(TL:FMP-11; 10-01-1999)

4 FAH-3 H-371 OFFICE OF CONTRACTS HHS- PMS PROCEDURES

(TL:FMP-11; 10-01-1999)

a. Grant/assistance agreement payments are made through the Department of Health and Human Services (HHS) Payment Management System (PMS) SMARTLINK II. Grantee organizations can now request payments under grant/cooperative agreements.

b. Under this method of payment the reporting requirements on SF-272 will now be directly with HHS-PMS. Delays in submitting timely reports may result in a freeze on your funds. Grantees are required to submit quarterly financial reports (SF-269 or other approved form) to FMP/F. All final reports must be submitted to FMP/F by the date stipulated in the grant. If the report is 30 days late the grant will be taken off of PMS and unexpended funds will be deobligated.

c. It is also very important that grantees understand that all HHS-PMS refunds should be sent directly to the Department of Health & Human Services, Division of Federal Assistance Financing, P.O. Box 6021, Rockville, MD 20852. Contact HHS-PMS at (301) 441-9180. Refunds must be made by check and made payable to the Department of Health & Human Services (refunds can not be made through PMS). Grantees are to continue to refund interest earned on federal funds to the Department of State.

d. All changes in banking information go directly to HHS-PMS to the contact person and address given above. Changes require a new SF-1199A. A copy of the SF-1199A and a new signature card should be sent to FMP.

e. Upon the execution of an agreement or an amendment to an agreement, the Office of Contracts (A/OPE) will provide HHS-PMS the authorized funding level. Funding levels can not be authorized until the Department has received the signed agreement or amendment. In most cases the funding level will be authorized within the next two business day. Grantees will not receive notification from this office that the funding is authorized through HHS-PMS.

f. Grantee final financial reports provide the basis for FMP involvement in grant deobligations and refund of unexpended grant balances. Sector Code 3 deobligations are determined by electronic query from FMP to HHS-PMS data base. FMP sends the deobligation memorandum.

g. Many grants provide a clause in which funding of domestic transportation is withheld. FMP is not involved in those Sector Code 1 (function code K8200) disbursements (Omega, TMCs, etc.), and therefore take no responsibility for their reconciliation.

4 FAH-3 H-372 FINANCIAL OPERATIONS DIVISION HHS-PMS PROCEDURES

(TL:FMP-11; 10-01-1999)

a. FMP receives a monthly HHS-PMS payment record entitled "Department of Health and Human Services - Payment Management System - Charges by Appropriation." The payment record gives appropriation, grant number, resource code and dollar amount. It does not contain the allotment, function, or sector codes.

b. FMP prepares a monthly Treasury "Schedule Preparation Report" from the HHS-PMS payment record to post the grant payment. This schedule contains the complete accounting classification (including allotment, function and sector codes) for data input. FMP obtains for each grant obligation number an accounting system document master list, which shows the complete accounting classification and summaries of all obligations and payments/refunds.

c. FMP also uses the accounting system document master list for internal reconciliation of grant obligations to Education and Cultural Affairs Bureau's manual grant documents (Assistance Awards with Private Organizations), which are executed by the Office of Contracts. In addition, FMP verifies deobligation memos to the accounting records, and resolves any differences in amounts. FMP will maintain a hard-copy file on all new grants entered, amendments, and corrections for sector code 3.

4 FAH-3 H-373 EDUCATION AND CULTURAL AFFAIRS BUREAU HHS-PMS RECONCILIATION PROCEDURES

(TL:FMP-11; 10-01-1999)

a. Education and Cultural Affairs Bureau is responsible for reviewing unliquidated obligations periodically, but not less often than quarterly, to determine that each obligation is technically correct and is stated in a proper amount, and to prepare a certified statement as of September 30

each year. Comprehensive summaries of all procurement instruments are available in the central accounting system.

b. The Bureau of Education and Cultural Affairs should ensure that its Advice of Allotment (Form IA -150) and Status of Allotment Report (SAR) do not become overobligated (paid plus unpaid obligations) and in violation of the Antideficiency Act. There should be periodic and no less than quarterly reconciliations of manual accounting records supporting the SAR to assure effective fund control and accounting accuracy. By reconciling funds, since Education and Cultural Affairs now has no-year (x) appropriations, invalid obligations deobligated as a "recovery" can later be reallocated by FMP to Education and Cultural Affairs.